

BLANKET PURCHASE ORDER

STATE OF MARYLAND

***** STATE OF MARYLAND *****

BPO NO: 001B9400457

PRINT DATE: 06/18/19

PAGE: 01

SHIP TO:

AS SPECIFIED ON INDIVIDUAL ORDERS

VENDOR ID:

H&E EQUIPMENT SERVICES INC
7430 MONTEVIDEO RD

JESSUP, MD 20794
(410)799-9370

REFER QUESTIONS TO:

CALVIN GLADDEN
(410)767-4281
CALVIN.GLADDEN@MARYLAND.GOV

ITB:

EXPR DATE: 05/18/20
POST DATE: 05/22/19

DISCOUNT TERMS: . NET 30 DAY
CONTRACT AMOUNT: 1,361,809.00

TERMS:

ARTICLES HEREIN ARE EXEMPT FROM MARYLAND SALES AND USE TAXES BY EXEMPTION CERTIFICATE NUMBER 3000256-3 AND FROM FEDERAL EXCISE TAXES BY EXEMPTION NUMBER 52-73-0358K. IT IS THE VENDOR'S RESPONSIBILITY TO ADVISE COMMON CARRIERS THAT AGENCIES OF THE STATE OF MARYLAND ARE EXEMPT FROM TRANSPORTATION TAX.

STATEWIDE CONTRACT
FOR

FRONT END LOADERS AND BUCKETS

THIS IS THE FINAL RENEWAL OPTION UNDER CONTRACT 001B7400445
WITH THE SAME TERMS, CONDITIONS AND PRICE.

CONTRACT TERM: BEGINNING MAY 19, 2019 THROUGH MAY 18, 2020.
TERMS, CONDITIONS, AND PRICE.

THIS IS AN STATEWIDE CONTRACT FOR FRONT END LOADERS AND BUCKETS

VENDOR: H&E EQUIPMENT
VENDOR CONTACT: STU MUNSELL
VENDOR NUMBER: 240-444-7035
VENDOR EMAIL: JMUNSELL@HE-EQUIPMENT.COM

PRODUCT ACCEPTABILITY SHALL BE AT THE SOLE DISCRETION OF STATE ORDERING AGENCIES. THE ORDERING AGENCY SHALL BE THE SOLE JUDGE OF WHAT IS AN "APPROVED EQUAL". ANY EQUIPMENT DELIVERED AS A RESULT OF THIS AWARD WHICH DOES NOT MEET THE SPECIFICATIONS OR IS OTHERWISE FOUND TO BE DEFECTIVE, SHALL BE REJECTED AND RETURNED AT

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TERMS (cont'd):

THE VENDOR'S EXPENSE FOR REPLACEMENT OR CREDIT.

TRAINING & MANUALS:

UPON DELIVERY OF THE UNITS, THE VENDOR WILL ARRANGE FOR A TRAINING PROGRAM FOR THE FOLLOWING AREAS.

1.)

A FACTORY REPRESENTATIVE WILL INSTRUCT STATE HIGHWAY PERSONNEL IN THE BASIC OPERATION OF THESE UNITS IN A DESIGNATED LOCATION BY THE ORDERING AGENCY, BUT SHALL BE WITHIN A REASONABLE DISTANCE OF DELIVERY OF UNITS.

2.)

A FACTORY REPRESENTATIVE SHALL PROVIDE A BASIC 1 DAY TRAINING FOR UP TO TWENTY (20) MECHANICS ON ENGINES, DIAGNOSTICS, HYDRAULIC SYSTEMS, BRAKES AND POWER TRAINS. THIS SHOULD INCLUDE FACTORY RECOMMENDED SERVICE INTERVALS TO ALL COMPONENTS ON THESE UNITS INCLUDING ALL OPTIONAL EQUIPMENT STATED WITHIN THESE SPECIFICATIONS. THIS TRAINING SHALL BE CONDUCTED AT THE VENDOR'S FACILITY OR FACTORY TRAINING CENTER.

3.)

THE SUCCESSFUL BIDDER SHALL PROVIDE WITH EACH MACHINE AT THE TIME OF DELIVERY COPIES OF OPERATOR'S MANUALS, COPIES OF PARTS AND REPAIR MANUALS, WHICH ARE OF MOST CURRENT ISSUE. IF THE MAINTENANCE AND PARTS MANUALS REQUESTED ARE AVAILABLE ON CD-ROM, THIS SHALL BE SUPPLIED IN LIEU OF PAPER MANUALS.

4.)

A FRONT-END LOADER OPERATOR TRAINING VCR TAPE OR DVD IS TO BE SUPPLIED TO EACH LOCATION. ALSO A COPY OF THE VHS FORMAT TAPE OR DVD SHALL BE DELIVERED TO THE EQUIPMENT DIVISION WITH ONE (1) EXTRA COPY OF THE PARTS, REPAIR, AND OPERATORS MANUALS FOR TRAINING PURPOSES.

INVOICING:

ALL INVOICING AND CERTIFICATES OF ORIGIN SHALL BE HAND CARRIED TO THE EQUIPMENT DIVISION OFFICES WITHIN TWO DAYS OF UNITS DELIVERIES TO THE RESPECTIVE ORDERING AGENCY.

DELIVERY:

H&E EQUIPMENT CO. SHALL DELIVER THE EQUIPMENT TO THE ORDERING AGENCY. H&E EQUIPMENT CO SHALL CONTACT THE AGENCY 24 HRS PRIOR TO DELIVERY.

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TERMS (cont'd):

WARRANTY:

A FULL MACHINE ZERO DEDUCTIBLE SHALL BE A MINIMUM OF FIVE (5) YEAR/ 5,000 HOUR WARRANTY WHICH SHALL BE INCLUDED IN THE BID PRICE OF THESE UNITS AND COMMENCE AT THE EXPIRATION OF THE STANDARD MANUFACTURER'S WARRANTY.

INDEFINITE DELIVERY CONTRACT FOR SUPPLYING STATE AGENCIES WITH THEIR NEEDS FOR THE FOLLOWING ITEM(S) FOR THE CONTRACT PERIOD SPECIFIED.

PRICING ESCALATION:

THE PRICE ADJUSTMENTS FOR THE BASE AND THE RENEWAL SHALL BE NEGOTIATED AND MUTUALLY AGREED UPON BY DGS AND THE CONTRACTORS. ALTHOUGH EACH NEGOTIATION WILL BE CARRIED OUT ANNUALLY AND INDEPENDENTLY, THE MSRP PERCENTAGE INCREASE OR THE MONETARY INCREASE SHALL BE THE SAME FOR ALL VENDORS. DGS RESERVES THE RIGHT TO RENEW ANY AND/OR ALL CONTRACTOR'S CONTRACTS. ANY CONTRACTS WHICH ARE NOT RENEWED WILL BE COMPETITIVELY RE-BID. ESTIMATED QUANTITIES (ATTACHMENT "A") WILL BE PROVIDED FOR ANY OR ALL RENEWAL OPTIONS. UPON RENEWAL, THE EXISTING CONTRACT TERMS AND CONDITIONS WILL APPLY.

METHOD OF REQUESTING AN ESCALATION IS AS FOLLOWS:

1. FOR EACH OPTION YEAR, THE CONTRACTOR MAY REQUEST AN INCREASE OF THE PRICES THEN PREVAILING. THE REQUEST FOR A PRICE INCREASE MUST BE SUBMITTED WITHIN EIGHT (8) WEEKS OF THE ANNIVERSARY DATE OF THE CONTRACT.
2. THE INCREASE IS NOT TO EXCEED THE CURRENT RATE OF INFLATION, AS DETERMINED BY THE PRODUCER PRICE INDEX (PPI) FOR WPS156; FOUND AT WWW.BLS.GOV/PPI/.COM . THE INCREASE WILL BE BASED ON THE INDEX VALUE FOR NOVEMBER 2016 AND THE MOST RECENT FINAL INDEX AVAILABLE ON THE BLS WEBSITE AT THE TIME OF THE REQUEST. ALL OTHER TERMS, CONDITIONS AND SPECIFICATIONS WILL REMAIN THE SAME.
3. ONCE A PRICE INCREASE HAS BEEN APPROVED, NO FURTHER INCREASES SHALL BE CONSIDERED FOR TWELVE (12) MONTHS. SUBSEQUENT INCREASES WILL BE BASED ON THE FINAL INDEX VALUE USED ON THE PRECEDING ADJUSTMENT AND THE MOST RECENT FINAL INDEX VALUE AVAILABLE ON THE BLS WEBSITE AT THE TIME OF THE CURRENT REQUEST. THE STATE RESERVES THE RIGHT NOT TO ALLOW A PRICE INCREASE.
4. THE INCREASED CONTRACT PRICE SHALL NOT APPLY TO ORDERS RECEIVED BY THE CONTRACTOR PRIOR TO THE EFFECTIVE DATE OF THE APPROVED INCREASED CONTRACT UNIT PRICE. ORDERS PLACED VIA PURCHASE ORDER, SHALL BE CONSIDERED TO HAVE BEEN RECEIVED BY THE CONTRACTOR AFTER THE

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TERMS (cont'd):

FIFTH (5TH) CALENDAR DAY FOLLOWING THE DATE OF ISSUANCE. THE PROCUREMENT OFFICER MAY CANCEL, WITHOUT LIABILITY TO EITHER PARTY, ANY PORTION OF THE CONTRACT AFFECTED BY THE REQUESTED INCREASE AND ANY MATERIALS, SUPPLIES OR SERVICES UNDELIVERED AT THE TIME OF SUCH CANCELLATION. INVOICES REFLECTING "NEW" PRICES WILL NOT BE PROCESSED FOR DELIVERIES OF GOODS RECEIVED PRIOR TO THE INCREASE APPROVAL DATE.

PRICE DECREASES SHALL ALSO BE PASSED ON TO THE STATE AND DO NOT REQUIRE VERIFICATION. DECREASES BECOME EFFECTIVE IMMEDIATELY UPON NOTIFICATION.

PROCESSING FEE:

1. CONTRACTOR SHALL PAY A PROCESSING FEE TO THE STATE IN THE AMOUNT OF ONE (1) PERCENT OF THE TOTAL CONTRACT SALES. THE PROCESSING FEE IS CALCULATED BASED ON ALL SALES TRANSACTED UNDR THE CONTRACT, MINUS ANY RETURNS OR CREDITS. THE PROCESSING FEE SHALL NOT BE CHARGED DIRECTLY TO THE CUSTOMER, E.G., AS A SEPARATE LINE ITEM, FEE OR SURCHARGE, BUT SHALL BE INCLUDED IN THE CONTRACT'S UNIT PRICES.
2. THE PROCESSING FEE SHALL BE SUBMITTED TO THE DEPARTMENT OF GENERAL SERVICES, FISCAL SERVICES DIVISION, 301 W. PRESTON STREET, ROOM 1309, BALTIMORE, MD., 21201, WITHIN TEN (1) CALENDAR DAYS FOLLOWING THE END OF EACH CALENDAR MONTH ALONG WITH A MONTHLY USAGE REPORT DOCUMENTING ALL CONTRACT SALES. AN EXCEL VERSION OF THE MONTHLY USAGE REPORT SHALL ALSO BE EMAILED TO THE PROCUREMENT OFFICER.
3. FAILURE TO REMIT PROCESSING FEES IN A TIMELY MANNER OR REMITTANCE OF FEES INCONSISTENT WITH THE CONTRACT'S REQUIREMENTS MAY RESULT IN THE STATE EXERCISING ALL RECOURSE AVAILABLE UNDER THE CONTRACT INCLUDING, BUT NOT LIMITED TO, A THIRD PARTY AUDIT OF ALL CONTRACT ACTIVITY. SHOULD AN AUDIT BE REQUIRED BY THE STATE, THE CONTRACTOR SHALL REIMBURSE THE STATE FOR ALL COST ASSOCIATED WITH THE AUDIT UP TO \$10,000.00 OR ONE (1) PERCENT OF THE CONTRACT'S ESTIMATED ANNUAL VALUE, WHICHEVER IS HIGHER.

USAGE REPORT:

A REPORT MUST BE FURNISHED BY H&E EQUIPMENT CO EVERY THREE (3) MONTHS DETAILING THE PURCHASE OF ALL ITEMS ON THE CONTRACT. FORMAT SHALL BE AT VENDORS OPTION PROVIDING THAT, AS A MINIMUM, THE REPORT REFLECTS THE CONTRACT NUMBER, CONTRACT ITEM NUMBER, THE DOLLAR VOLUME PURCHASED OF EACH ITEM, AGENCY IDENTIFICATION AND THE CONTRACT TOTAL. THE REPORT MUST BE FILED WITHIN THIRTY (30) DAYS AFTER THE END OF

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TERMS (cont'd):

EACH REPORTING PERIOD. ANY EXCEPTION TO THIS MANDATORY REQUIREMENT MAY RESULT IN CANCELLATION OF THE AWARD. FAILURE TO PROVIDE THE REPORT WITH THE MINIMUM REQUIRED INFORMATION MAY ALSO NEGATE ANY CONTRACT EXTENSION CLAUSES.

VENDOR MUST INCLUDE THE 9-DIGIT ZIP CODE OF COMPANY ADDRESS ON ALL INVOICES. FAILURE TO DO SO MAY RESULT IN DELAY OF PAYMENT.

THE DEPARTMENT OF GENERAL SERVICES "TERMS AND CONDITIONS" FOR COMMODITY CONTRACTS OVER \$25,000" AND ALL SPECIFICATIONS, TERMS AND CONDITIONS OF SOLICITATION #001IT820628/MDDGS31031822 INCORPORATED HEREIN BY REFERENCE.

<u>LINE #</u>	<u>STATE ITEM ID</u>	<u>U/M</u>	<u>UNIT COST</u>		
0001	76050-100000	EA	156,540.0000		

LOADER

FRONT -END LOADER

THIS REQUISITION IS FOR (7) FRONT END LOADER PER SPECIFICATION RTFL-28-J02-2.5.

0002	76010	EA	5,044.0000		
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BUCKETS (FOR DITCHERS, DRAGLINES, LOADERS, ETC.)

BUCKETS (FOR DITCHERS, DRAGLINES, LOADERS, ETC.)

THIS REQUISITION IS FOR (7) BUCKET FOR LINE 001.

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<u>LINE #</u>	<u>STATE ITEM ID</u>	<u>U/M</u>	<u>UNIT COST</u>	
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0003	76010	EA	13,563.0000	
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BUCKETS (FOR DITCHERS, DRAGLINES, LOADERS, ETC.)

BUCKETS (FOR DITCHERS, DRAGLINES, LOADERS, ETC.)

THIS REQUISITION IS FOR (7) GRAPPLE BUCKETS FOR LINE 001.

0004	76050-100000	EA	210,806.0000	
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LOADER

FRONT-END LOADER

THIS REQUISITION IS FOR (1) FRONT END LOADER PER SPECIFICATION
RTFL-28-J02-4.0.

0005	76010	EA	6,432.0000	
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BUCKETS (FOR DITCHERS, DRAGLINES, LOADERS, ETC.)

BUCKETS (FOR DITCHERS, DRAGLINES, LOADERS, ETC.)

THIS REQUISITION IS FOR (1) BUCKET FOR LINE 004.

0006	76010	EA	17,991.0000	
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BUCKETS (FOR DITCHERS, DRAGLINES, LOADERS, ETC.)

BUCKETS (FOR DITCHERS, DRAGLINES, LOADERS, ETC.)

THIS REQUISITION IS FOR (1) GRAPPLE BUCKET FOR LINE 004.

END OF ITEM LIST

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TERMS (cont'd):

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AUTHORIZED BY: _____ **DATE:** _____

BUYER AUTHORIZED DESIGNEE